15TH ANNUAL REPORT
OF THE
PRINCE EDWARD ISLAND
LOTTERIES COMMISSION

FOR THE FISCAL YEAR
ENDING MARCH 31, 1991

92-05005/

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Prince Edward Island
LOTTERIES COMMISSION

Post Office Box 2000
Charlottetown
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December 31, 1991

Minister of Finance
Shaw Building
Provincial Administrative Buildings
Charlottetown
Prince Edward Island

Sir:

In accord with subsection 14(1) of the **Lotteries Commission Act** [RSPEI 1988, cap. L-17], I hereby convey the report of the operations of the **Prince Edward Island Lotteries Commission**, with our audited financial statements, for the fiscal year ending March 31, 1991.

Yours truly,

Gilbert R. Clements

Honourable Gilbert R. Clements
Chairman
Prince Edward Island Lotteries Commission

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

ANNUAL REPORT

for the Fiscal Year ending 31 March 1991

1. COMMISSION ESTABLISHED:

The Lotteries Act (L.P.E.I. 1976, Cap. 20), enacted by the Legislative Assembly at its 1976 Session and given Royal Assent on 22 April 1976, provided for the establishment of a P.E.I. Lotteries Commission. The Act was proclaimed via Order-in-Council No. EC673/76 for effect on 24 July 1976.

2. MINISTER RESPONSIBLE AND OFFICERS:

The Lieutenant Governor in Council appointed Hon. Gilbert Clements Chairman of the Commission on his appointment as Minister of Finance on 2 May 1986.

2.1 Minister Designated as Responsible for the Administration of the Act (current):

(via EC291/91 of 23 May 1991)

Minister of Finance

2.2 Chairman of the Commission:

(via EC692/76 of 22 July 1976)

Hon. Gilbert R. Clements

2.3 Vice-Chairman of the Commission:

(via EC849/83 of 3 November 1983)

W. Philip MacDougall

The third member of the Commission, Douglas B. Boylan (appointed via EC660/90 of 27 September 1990) acts as Secretary-Treasurer to the Commission.

3. BYLAWS OF THE COMMISSION:

In addition to the requirements of the Lotteries Act, the Commission is governed by its Bylaws which were approved by the Lieutenant Governor in Council on 26 August 1976 via EC794/76.

4. AGREEMENTS:

As provided in section 7 of the Act, subsections (b) and (c), the Commission recommended two agreements for the consideration of the Lieutenant Governor in Council, both of which were approved and subsequently entered into by the Commission.

4.1 via EC796/76 of 26 August 1976, an agreement with the Provinces of Nova Scotia, New Brunswick and Newfoundland to establish and operate a regional lottery.

4.2 via EC797/76 of 26 August 1976, an agreement for the establishment of the Atlantic Lottery Corporation.

5. LOTTERIES OPERATED OR SANCTIONED:

The P.E.I. Lotteries Commission did not, itself, operate any lotteries during the Fiscal Year 1990/91. However, seven lottery games sanctioned by the Commission were in operation during the fiscal year: A-Plus, Provincial, Loto 6/49, various "instants", Pik 4, Atlantic Club and ILC $20 Games.

6. ATLANTIC LOTTERY CORPORATION:

By motion of the Commission, W. Philip MacDougall and D. B. Boylan were named as the two P.E.I. Directors of the Atlantic Lottery Corporation and Mr. Boylan continued as a Director of the Interprovincial Lottery Corporation. The Directors attended various meetings of the Corporation throughout the fiscal year ending 31 March 1991.

In particular, the P.E.I. Lotteries Commission extends its appreciation to the General Manager of Atlantic Loto, Cluny MacPherson, for his continuing effort in the operation and management of our regional lottery.

7. MEETINGS OF THE COMMISSION:

During the Fiscal Year ended 31 March 1991, the Commission held meetings on: 17 July 1990, 2 October 1990, 29 January 1991 and 25 March 1991.

8. **FINANCIAL REPORT:**

For the Fiscal Year ending 31 March 1991, the P.E.I. Lotteries Commission had income of $3,122,733; $3,121,585 of profit allocation from the Atlantic Lottery Corporation and $1,148 from bank interest. Expenses totalled $17.00, for bank charges. The net income of the Commission, $3,122,716, was contributed to the Prince Edward Island Consolidated Fund.

A review of the financial statements shows an accounts receivable from the Atlantic Lottery Corporation of $383,671, consisting of $331,870 in 1990/91 profit remitted early in 1991/92 and 51,081 representing the equity investment in the Atlantic Lottery Corporation held by the Commission.

The overall liability of the Commission to the PEI Consolidated Fund includes the foregoing receivable of $383,671, $100 as the value (at cost) for the ALC share, $1 for the value (at cost) for the Interprovincial Lottery Corporation share and cash of $1,789, for a total of $385,561.

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

FINANCIAL STATEMENTS

MARCH 31, 1991

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

AUDITOR'S REPORT

To the Members of the
Prince Edward Island Lotteries Commission

I have examined the balance sheet of the Prince Edward Island Lotteries Commission as at March 31, 1991 and the statement of financial activities for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

J. Wayne Murphy, C.A.
Auditor General

Charlottetown, Prince Edward Island
November 6, 1991

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

BALANCE SHEET

MARCH 31, 1991

(with comparative figures at March 31, 1990)

ASSETS

	1991	1990
Cash	$ 1,789	$ 658
Accounts Receivable - Atlantic Lottery Corporation Inc. - Note 1	383,671	268,959
Share in Atlantic Lottery Corporation Inc. - at cost	100	100
Share in Interprovincial Lottery Corporation - at cost	1	1
	$385,561	$269,718

LIABILITIES

Due to Province of Prince Edward Island Consolidated Fund	$385,561	$269,718
	$385,561	$269,718

(Notes 1 and 2 are an integral part of these financial statements)

SIGNED ON BEHALF OF THE COMMISSION:

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED MARCH 31, 1991

(with comparative figures for the year ended March 31, 1990)

	1991	1990
INCOME		
Distribution of Atlantic Lottery Corporation's Net profit - Note 2	$3,121,585	$3,289,795
Interest Income	1,148	546
	3,122,733	3,290,341
EXPENSES		
Bank Charges, Stationary and Supplies	17	197
Net Income before remittance to Province	$3,122,716	$3,290,144
Contribution to Prince Edward Island Consolidated Fund	$3,122,716	$3,290,144

(Notes 1 and 2 are an integral part of these financial statements)

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1991

1. Accounts Receivable - Atlantic Lottery Corporation Inc.

	1991	1990
Advances	$ 51,801	$ 55,756
Net profit distribution	331,870	213,203
	$383,671	$268,959

Advances represent the Province's share of investment in net fixed assets of Atlantic Lottery Corporation Inc.

2. Income of the Commission is Prince Edward Island's share of the profit of the Atlantic Lottery Corporation Inc. The distribution of profit to each province is made monthly based on the percentage of ticket sales in that province.